



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 05th August 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	53996	54004
Gold	995	53780	53788
Gold	916	49460	49468
Gold	750	40497	40503
Gold	585	31588	31592
Silver	999	64925	64735

* Rates are exclusive of GST as of 04th August 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
4 th August 2020	54004	64735
3 rd August 2020	53976	64770
31 st July 2020	53528	53528
30 th July 2020	53277	61760

The above rates are IBJA PM Rates
*Rates are exclusive of GST

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	2021.00	34.70	1.75
Silver(\$/oz)	September	26.03	1.61	6.60

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 September 2020	1997.3
Gold Quanto	23 September 2020	54571
Silver (\$/oz)	27 August 2020	26.00

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,257.73	9.35
iShares Silver	17,649.43	8.74

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1972.25
Gold London PM Fix(\$/oz)	1977.90
Silver London Fix(\$/oz)	24.33

Weekly CFTC Positions

	Long	Short	Net
Gold	2,11,455.00	36,945.00	1,74,510.00
Silver	58,138.00	25,976.00	32,162.00

Gold Ratio

Gold Silver Ratio	77.65
Gold Crude Ratio	48.47

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
5 th August 5:45PM	United States	ADP Non-Farm Employment Change	1200K	2369K	Medium
5 th August 6:00PM	United States	Trade Balance	-50.3B	-54.6B	Low
5 th August 7:15PM	United States	Final Services PMI	49.6	49.6	Low
5 th August 7:30PM	United States	ISM Non-Manufacturing PMI	55.0	57.1	High

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1950	1970	1990	2020	2035	2049
Silver – COMEX	September	25.00	25.30	25.50	26.10	26.40	26.70
Gold – MCX	October	53850	54150	54400	54600	54850	55000
Silver - MCX	September	67000	68500	69200	70000	72000	73500



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Nirmal Bang Securities - Daily Bullion News and Summary

Market Summary and News

- Gold's scorching rally gathered more force, with prices driven higher into record territory above \$2,000 an ounce as investors assessed prospects of more stimulus to combat the pandemic's fallout, another slide in U.S. real yields and increased geopolitical risks. Bullion is up more than 30% this year, and could extend gains as governments and central banks respond to slowing growth with vast amounts of support. The haven's allure as a store of wealth is strengthening as investors face the prospect of a long global recovery, and the debasement of fiat currencies, with banks including Goldman Sachs Group Inc. forecasting a rally to \$2,300.
- Shifts in the U.S. bond market have also underpinned gold's meteoric ascent, with an added lift from a weaker dollar. Real yields on 10-year Treasuries have collapsed below zero and hit a record low below -1% on Tuesday. After sinking 3.3% in July, the U.S. currency is now lower in 2020.
- Treasury Secretary Steven Mnuchin said the White House and Democrats aim to strike a deal on virus-relief legislation this week even though the two sides remain far apart on some issues. Meanwhile, U.S. and Chinese officials plan to assess the nations' trade accord this month against a backdrop of rising tensions between the countries, according to people briefed on the matter. Apart from the simmering U.S.-China tensions, other geopolitical risks including a massive explosion at Lebanon's main port on Tuesday -- are lifting demand for the haven asset.
- Investors are closely monitoring efforts in Washington to negotiate a new coronavirus relief package that many see as key to keeping the economy afloat as the pandemic curbs activity. The pressure is building, with the Senate set to leave on a break Friday, when crucial jobs data is due. Senate Democratic leader Chuck Schumer said earlier Tuesday stimulus talks with the White House are finally moving in the right direction but they remain far apart on some issues.
- Nigeria plans to stem illegal gold exports worth hundreds of millions of dollars a year to boost the country's foreign reserves. The program will regulate production by informal miners that currently provides no income to the state, said Fatima Shinkafi, executive secretary of the Presidential Artisanal Gold Mining Development Initiative. As much as 18 tons of gold leaves Nigeria illegally every year and is shipped to Dubai, Shinkafi said in an interview. Persuading the informal gold-mining industry to come within the orbit of state oversight would not only generate much-needed tax revenue. It would also allow the central bank to stockpile the metal, according to the presidency.
- Investors are so concerned about the global outlook that worldwide holdings in gold-backed exchange-traded funds now stand behind only the official U.S. reserves of bullion after they surpassed Germany's holdings. Gold has rallied to a record this year as the coronavirus pandemic savaged growth, with gains supported by massive inflows into bullion-backed ETFs. Bulls are fearful that the waves of stimulus to fight the slowdown may debase paper currencies and ignite inflation. They also point to simmering geopolitical tensions, rising government debt burdens, and lofty equity valuations.
- The U.S. economy needs more support than originally thought as a resurgence in the coronavirus pandemic weighs on growth, said Federal Reserve Bank of San Francisco President Mary Daly. "It's becoming quite clear that the virus will be with us for longer and more vigorously than anyone had hoped for," Daly said in an interview Tuesday. "The length of the support that the economy is going to need, before we can ever stimulate the economy, it just has to be longer." The economic recovery is stalling in parts of the country experiencing new peaks in virus cases while Congress debates its next round of fiscal stimulus.

Fundamental Outlook: With the rising geo-political tensions and the real yields on 10-year Treasuries at minus 1 to record low levels, the demand for bullions are making new highs. We are very bullish on gold and silver and we also continue to maintain our medium and longer term bullish outlook on gold.



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
93.38	-0.16	-0.17

Bond Yield

10 YR Bonds	LTP	Change
United States	0.5069	-0.0474
Europe	-0.5540	-0.0290
Japan	0.0180	-0.0080
India	5.7730	-0.0640

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.2865	-0.0355
South Korea Won	1194.05	0.7000
Russia Ruble	73.5399	0.4176
Chinese Yuan	6.9734	-0.0075
Vietnam Dong	23166	0
Mexican Peso	22.6701	0.0416

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.29	-0.07
USDINR	75.2775	-0.1675
JPYINR	70.9325	-0.185
GBPINR	98.0325	-0.1625
EURINR	88.5425	0.07
USDJPY	106.22	0.1
GBPUSD	1.3028	0.0012
EURUSD	1.1775	0.0049

Market Summary and News

- India's rupee pared losses after touching the lowest level in two weeks as exporters stepped up USD selling. Sovereign bonds end the day little changed. USD/INR rose 0.1% to close at 75.0450 on Tuesday after touching 75.18, highest since July 17. The yield on 5.79% 2030 bond fell 1bp to 5.84% on Tuesday, while that on the new 10-year bond issued last week was little changed at 5.77%. Focus is also on the Reserve Bank of India's rate decision on Thursday, where a majority of participants in a Bloomberg News survey expect a rate cut.
- The dollar was higher against its G-10 and emerging-market peers as European earnings, virus concerns and U.S. legislative impasse on economic stimulus weigh on risk appetite. The Bloomberg Spot Dollar Index rises 0.1%; the Swiss franc leads G-10 gainers while the pound lags; gold is lower by 0.3%. Deutsche Bank's CVIX index hits a 6-week high, partly driven by 3-month implieds jumping as tenor includes U.S. election results.
- The Australian dollar rose after the RBA left its policy rate unchanged as expected, and said a recovery is underway in most of the country. The central bank will also resume bond purchases Wednesday. A gauge of dollar strength is little changed after rising Monday following better-than-expected U.S. ISM manufacturing data.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.70	74.85	75.00	75.35	75.50	75.65



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



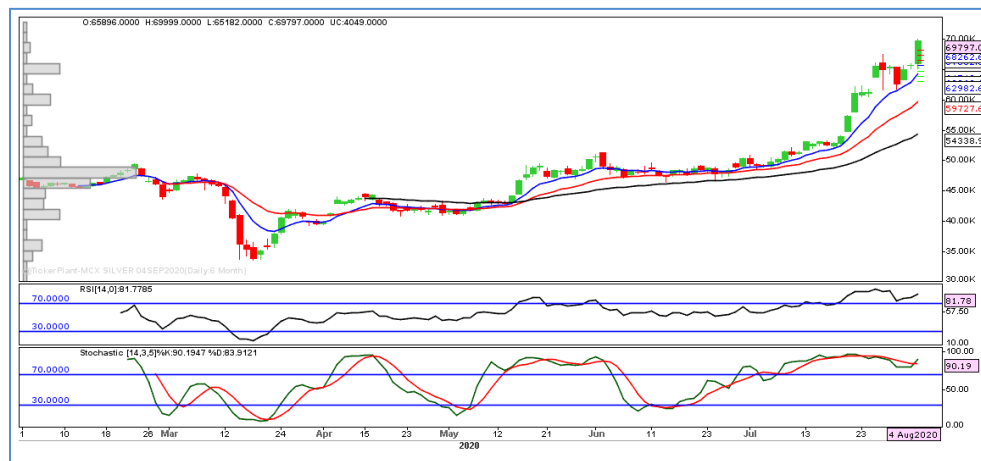
Market View

Open	53765
High	54612
Low	53555
Close	54551
Value Change	834
% Change	1.55
Spread Near-Next	180
Volume (Lots)	15301
Open Interest	16286
Change in OI (%)	0.29%

Gold - Outlook for the Day

Comex Gold has seen a sharp upside and likely to continue the rally if sustain above \$2000 It seems that the prices are likely to test \$2020-30. For the day Positive 9/21 MA shows that the positive momentum and recommend to buy on dips around \$1990 for the target \$2020. **BUY GOLD OCT (MCX) AT 54150 SL 53850 TARGET 54650/54800.**

Silver Market Update



Market View

Open	65896
High	69999
Low	65182
Close	69797
Value Change	4049
% Change	6.16
Spread Near-Next	1754
Volume (Lots)	52630
Open Interest	13494
Change in OI(%)	3.44%

Silver - Outlook for the Day

In Comex Silver We are expecting prices to correct till \$25.3 for the day. It seems that the commodity can take upward touch till \$26.4-26.7. Positive 9/21 MA shows positive momentum in silver can see some upside till \$26.4-26.7.

BUY SILVER SEPT (MCX) AT 68500 SL 67500 TARGET 70000/72000.



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Nirmal Bang Securities - Currency Technical Market Update

USDINRR Market Update



Market View	
Open	75.1
High	75.49
Low	75.06
Close	75.445
Value Change	0.4325
% Change	0.58
Spread Near-Next	0.2125
Volume	1645363
Open Interest	1564016
Change in OI (%)	1.30%

USDINRR - Outlook for the Day

USDINR had a weak open at 75.36 and continued with the bearish momentum marking low at 75.25 for first half of the session. However, second session witnessed momentum retracing the fall but failed to give closure in green this closing at 75.2775. On the daily chart, the pair has marked a bearish candle with lower shadow indicating support at lower levels. USDINR has maintained its momentum above the short term (09) and medium term (21) simple moving average while keeping a close resistance at the long term (50) moving average, a breach of which will further on add the green momentum. The strength index RSI and momentum oscillator Stochastic both are above their reference line thus indicating presence of positive bias in the pair. USDINR if in today's session moves above 75.35 it will test 75.55 - 75.75 levels on the higher side. However an open below 75.25 will lead the pair to bearish zone again towards the range of 75.15 - 75.

Buy on dips around 75.25 - 75.20 for the target of 75.35- 75.50

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR September	75.15	75.00	74.85	75.55	75.70	75.88



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